

From: Phillip Karlsson
To: Microsoft ATR
Date: 1/24/02 2:17pm
Subject: Microsoft Settlement

I believe that the proposed settlement is NOT in the public interest.

My background is primarily in technology. I have an undergraduate Computer Science degree from Cornell University, and have been working in the technology industry for the past 7 years. In that time I have written products both for Microsoft's products, as well as for other Operating Systems. I am currently an MBA student at NYU's Stern School of Business. This is the background from which I am evaluating the proposed settlement.

This email concerns only the remedies, as it has already been upheld that they have a monopoly, and have used that power illegally. The settlement must address both redress for past behavior, as well as remedies that will prevent them from continuing to act anti-competitively in the future.

There are several problems with the settlement, which have been written about extensively elsewhere. So the following is a short summary of the problems:

- Definitions of affected products are overly specific. Given Microsoft's past behavior of using semantics to avoid following the spirit of a law or settlement, this is a large loophole which they are undoubtedly already planning to take advantage of.
- it does not provide methods of encouraging or aiding the creation of alternate Operating Systems (OS) or middleware layers that emulate the Windows APIs. This, going forward, is the best way to create competition. A new layer or OS that could run Windows applications would immediately cut into the "virtuous circle", or "positive feedback cycle", that has allowed Microsoft's growth thus far. Forcing Microsoft to publish the full APIs for all their operating systems and middleware layers and applications, both current, and future changes, would restore vast amounts of competition, and would allow other companies to pursue innovation, in ways that Microsoft has failed to ever do in its corporate history, without fear of being crushed by Microsoft creating undocumented changes in its compatibility.
- Microsoft should not be allowed to patent, or should not be allowed to charge licensing fees for patents, on the APIs themselves. Although they would be allowed to patent methodologies of implementing algorithms, in accordance with the law, they would not be allowed to use patents to prevent competing products from creating

compatible APIs.

- Due to their monopoly power, they should not be allowed to have restrictive licensing agreement with:

- applications writers who use their development tools
- applications writers who require their middleware (i.e., if I'm writing a web-browser replacement, they should not be able to prohibit me from calling their Windows Media Player from my application).
- Enterprise (or other large) Customers, charging varying bundling prices depending on whether Office is included, charging per CPU instead of per seat using Windows, etc.
- OEMs, similar to above.

Given these glaring problems, as well as others not listed above, the current proposed settlement is NOT in the public interest. Primarily this is because it fails to take appropriate or sufficient measures to prevent this convicted monopolist from continuing current anti-competitive practices.

Thank you,
-Phillip Karlsson
New York, NY

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